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SUBJECT: CONTROVERSIAL COMPUTER-ANIMATED NEWS SERVICE LAUNCHED BY
TAIWAN NEWSPAPER

¶1. (SBU) SUMMARY: Taiwan's mass-circulation "Apple Daily" newspaper has come under fire following the launch of its computer-generated graphic motion news service in mid-November. The sensational and make-believe content and graphic animation have been criticized more for depicting violence and sex than for any ethical lapses. Yet, some young people see the new service as a novelty, and there have been more than 1.7 million hits on YouTube for the animated news clips. Graphic news clips could be a harbinger of the future for news in Taiwan. END SUMMARY.

News in Motion

¶2. (SBU) The "Apple Daily," a sensationalist Hong Kong transplant newspaper founded by Hong Kong media mogul Jimmy Lai's Next Media, Ltd. in 2003, rolled out its online animated graphic news, or "news in motion" feature, on November 16, 2009. The computer-generated, video game-like "news in motion" combines real footage and simulations made with animated video clips showing details of news events. The clips are accompanied by background music and a voice-over recounting what happened or what the newspaper thinks happened. People with high-end cell phones can watch the news clips on their cell phones, and the clips are also accessible on YouTube. The animated news service is free during its promotional stage. But "Apple Daily" said it will charge cell phone users NT\$0.5 (US\$0.016) dollars for one "news in motion" story starting in early 2010.

Sex and Violence

¶3. (SBU) "Apple Daily's" animated news, like the paper itself, sparked an immediate public outcry among the public, academics, as well as other media outlets. While some viewers found the animated news service novel and unique, calling it a future trend that uses graphics and animation techniques to "show" news rather than "tell" it, various civic groups and media watchdog organizations in Taiwan criticized the sensational service for concentrating on sexual abuse and violence. On November 19, these civic groups and media watchdogs staged protests outside the headquarters of Next Media and Taiwan's National Communications Commission (NCC), an independent policy-making and regulatory body for Taiwan's telecommunications market and electronic media.

Mayor Hau Fines the Paper

¶4. (SBU) While the NCC was scrambling to find existing laws to regulate the service, Taipei Mayor Hau Lung-bin jumped in and fined the company NT\$1 million (US\$31,000), accusing the paper of violating the Children and Juvenile Welfare Act. The Taipei City Government also barred public schools in the city from subscribing to the paper, and banned teenagers under 18 years old from borrowing

the paper in public libraries. The newspaper initially condemned the city government for "exercising martial law" and said it might sue the city government for "trampling on the freedom of the press."

But, a day later, the paper apologized to the public and said it had set up a rating system for its online news. Mayor Hau's actions earned him a "worst person in the world" award on MSNBC, which can be seen at: <http://www.youtube.com/watch?v=4tO7NWuUUPw>.

Thwarted TV Ambitions

15. (SBU) Since establishing his conglomerate in Taiwan, Next Media Chairman Jimmy Lai has always shown great interest in expanding his media realm by setting up TV stations. Lai attempted to acquire the venerable China Times Group in early November, 2008, which owned two newspapers, two TV stations and one magazine, and was having serious financial difficulties. At the last minute, the Want Want Group stepped in with a bigger offer to buy the China Times Group out from under him. Lai is still trying to set up his own TV channels, but the NCC announced on December 9 that it rejected Next Media's applications to set up news and information TV channels. The NCC said the news content Next intended to show went against the core values upheld by the commission and violated regulations on TV program ratings. Next said it felt it was "misunderstood." It has also argued that "news in motion" was not a harbinger of clips to come on its TV channels.

A Bleak Future for Newspapers?

16. (SBU) Taiwan has a highly competitive media environment, which is prone to sensationalism and unbalanced reporting. At the same time, growing internet use has hurt the newspaper industry. Nevertheless,

Jimmy Lai, a master of marketing, has made "Apple Daily" Taiwan's most talked-about newspaper, as well as turning a profit. Lai has reportedly spent two years and more than NT1 billion (US\$30 million) on the "news in motion" project. An "Apple Daily" journalist told AIT that Lai believes such animated news clips, mostly drawn from crime stories, including sexual assaults and murders, appeal to young people, who favor novelty and prefer graphics to words. What Lai sees is the future of the media business, in which he wants to create a climate of "micropayments," the journalist added. With the controversy the service caused by its computer-generated news report on U.S. golfer Tiger Woods S.U.V. crash, Apple Daily's animated news service has garnered more than 1.7 million views on YouTube alone and become a top global online video. The Tiger Woods clip can be seen at: <http://www.youtube.com/watch?v=7i5F1C1MpKE>.

Journalistic Ethics

17. (SBU) While discussing future media trends, a local social critic said in her blog that the emergence of "news in motion" is not simply a matter of how a media outlet decides to "present" its news stories; instead, it is clearly a result of the fierce competition for viewership and advertising income. "The emergence of the Internet has created an unprecedented challenge to the news business. How else will the news 'presentation' methods evolve just so that the media industry can survive? And will professionalism and ethics remain the essential factors in journalism?" she wrote.

Comment

18. (SBU) Rapid advancements in information technologies have created sweeping changes in the global and Taiwan news landscape and left news outlets scrambling for a new business model. Jimmy Lai has proven his ability to break the mold in the past, and his animated news clips at "Apple Daily" are an innovative attempt to entice people to pay for "news" content over the internet. Graphic news clips could be a harbinger of the future for news in Taiwan ... and elsewhere.

STANTON